

HARBOR BANKSHARES CORPORATION

	CPP Disbursement Date 07/17/2009	RSSD (Holding Company) 2008130	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$305	\$250	-18.1%		
Loans	\$213	\$195	-8.6%		
Construction & development	\$13	\$7	-45.1%		
Closed-end 1-4 family residential	\$21	\$22	1.1%		
Home equity	\$3	\$3	-9.0%		
Credit card	\$1	\$1	1.6%		
Other consumer	\$1	\$1	7.3%		
Commercial & Industrial	\$64	\$51	-20.4%		
Commercial real estate	\$87	\$99	13.4%		
Unused commitments	\$21	\$13	-40.5%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$0	\$0			
Asset-backed securities	\$0	\$0			
Other securities	\$39	\$22	-43.1%		
Cash & balances due	\$7	\$6	-4.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$278	\$225	-19.0%		
Deposits	\$270	\$217	-19.5%		
Total other borrowings	\$5	\$5	0.0%		
FHLB advances	\$5	\$5	0.0%		
Equity					
Equity capital at quarter end	\$27	\$25	-8.5%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$7	\$2	NA		
Performance Ratios					
Tier 1 leverage ratio	8.0%	7.3%	--		
Tier 1 risk based capital ratio	9.9%	9.4%	--		
Total risk based capital ratio	11.1%	10.7%	--		
Return on equity ¹	15.2%	-27.2%	--		
Return on assets ¹	1.3%	-2.6%	--		
Net interest margin ¹	4.0%	4.4%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	87.5%	54.2%	--		
Loss provision to net charge-offs (qtr)	0.0%	281.3%	--		
Net charge-offs to average loans and leases ¹	5.5%	0.8%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	2.8%	0.0%	0.0%	0.0%	--
Closed-end 1-4 family residential	0.2%	4.1%	0.0%	0.0%	--
Home equity	0.0%	0.0%	0.0%	0.8%	--
Credit card	3.5%	0.7%	0.0%	1.3%	--
Other consumer	0.4%	0.0%	1.6%	0.6%	--
Commercial & Industrial	0.4%	6.8%	4.5%	0.0%	--
Commercial real estate	3.2%	2.9%	0.0%	0.4%	--
Total loans	1.6%	5.1%	1.4%	0.2%	--